

Eagle Mountain, Utah

November 18, 2014

The City Council (the "Council") of Eagle Mountain City, Utah (the "City"), met in regular public session at the regular meeting place of the Council in Eagle Mountain City, Utah on November 18, 2014, at the hour of 7:00 p.m., with the following members of the Council being present:

Chris Pengra	Mayor
Donna Burnham	Councilmember
Adam Bradley	Councilmember
Ryan Ireland	Councilmember
Richard Steinkopf	Councilmember
Tom Westmoreland	Councilmember

Also present:

Ifo Pili	City Administrator
Fionnuala Kofoed	City Recorder

Absent:

After the meeting had been duly called to order and after other matters not pertinent to this resolution had been discussed, the City Recorder presented to the City Council a Certificate of Compliance with Open Meeting Law with respect to this November 18, 2014, meeting, a copy of which is attached hereto as Exhibit A.

The following resolution was then introduced in written form, was fully discussed, and pursuant to motion duly made by Councilmember _____ and seconded by Councilmember _____, was adopted by the following vote:

AYE:

NAY:

The resolution is as follows:

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF EAGLE MOUNTAIN CITY, UTAH (THE “ISSUER”), AUTHORIZING THE ISSUANCE AND SALE OF NOT MORE THAN \$11,000,000 AGGREGATE PRINCIPAL AMOUNT OF WATER AND SEWER REVENUE REFUNDING BONDS, SERIES 2014; FIXING THE MAXIMUM AGGREGATE PRINCIPAL AMOUNT OF THE BONDS, THE MAXIMUM NUMBER OF YEARS OVER WHICH THE BONDS MAY MATURE, THE MAXIMUM INTEREST RATE WHICH THE BONDS MAY BEAR, AND THE MAXIMUM DISCOUNT FROM PAR AT WHICH THE BONDS MAY BE SOLD; DELEGATING TO CERTAIN OFFICERS OF THE ISSUER THE AUTHORITY TO APPROVE THE FINAL TERMS AND PROVISIONS OF THE BONDS WITHIN THE PARAMETERS SET FORTH HEREIN; PROVIDING FOR THE PUBLICATION OF A NOTICE OF BONDS TO BE ISSUED; AUTHORIZING ALL NECESSARY ACTION TO REDEEM CERTAIN OUTSTANDING WATER AND SEWER REVENUE AND REFUNDING BONDS; PROVIDING FOR THE RUNNING OF A CONTEST PERIOD; AUTHORIZING THE EXECUTION BY THE ISSUER OF A SUPPLEMENTAL INDENTURE OF TRUST, A BOND PURCHASE AGREEMENT, AND OTHER DOCUMENTS REQUIRED IN CONNECTION THEREWITH; APPROVING A PRELIMINARY OFFICIAL STATEMENT AND AN OFFICIAL STATEMENT; AUTHORIZING THE TAKING OF ALL OTHER ACTIONS NECESSARY TO THE CONSUMMATION OF THE TRANSACTIONS CONTEMPLATED BY THIS RESOLUTION; AND RELATED MATTERS.

WHEREAS, pursuant to the provisions of the Utah Refunding Bond Act, Title 11, Chapter 27, Utah Code Annotated 1953, as amended (the “Act”), the City Council (the “Council”) of Eagle Mountain City, Utah (the “Issuer”) has the authority to issue its Water and Sewer Revenue Refunding Bonds, Series 2014 (to be issued in one or more series or with such other series or title designation as may be determined by the Issuer) (the “Series 2014 Bonds”), payable from the net revenues of its water and sewer systems (collectively, the “System”), to achieve a debt service savings; and

WHEREAS, pursuant to a General Indenture of Trust dated as of May 1, 2005 (the “General Indenture”) between the Issuer and U.S. Bank National Association, as trustee (the “Trustee”), the Issuer has previously issued certain water and sewer revenue bonds; and

WHEREAS, subject to the limitations set forth herein, the Issuer desires to issue the Series 2014 Bonds to (a) refund all or a portion of its outstanding water and sewer revenue and refunding bonds (which bonds that are refunded are collectively referred to herein as the “Refunded Bonds”), and (b) pay costs of issuance of the Series 2014 Bonds;

WHEREAS, the Issuer desires to issue the Series 2014 Bonds pursuant to this Resolution, the General Indenture of Trust, and a Supplemental Indenture of Trust (together, the “Indenture”), in substantially the form presented to the meeting at which this Resolution was adopted and which is attached hereto as Exhibit B; and

WHEREAS, there has been presented to the Council at this meeting a form of a bond purchase agreement (the “Bond Purchase Agreement”), in substantially the form attached hereto as Exhibit C to be entered into between the Issuer and the underwriter or the purchaser selected by the Issuer for the Series 2014 Bonds (the “Underwriter/Purchaser”); and

WHEREAS, in the event that the Designated Officer (defined below) determines that it is in the best interests of the Issuer to publicly offer all or a portion of the Series 2014 Bonds, the Issuer desires to authorize the use and distribution of one or more of a Preliminary Official Statement (the “Preliminary Official Statement”) in substantially the form attached hereto as Exhibit D, and to approve one or more of a final Official Statement (the “Official Statement”) in substantially the form as the Preliminary Official Statement, and other documents relating thereto; and

WHEREAS, in order to allow the Issuer (with the consultation and approval of the Issuer’s Financial Advisor, Lewis Young Robertson & Burningham, Inc. (the “Financial Advisor”)) flexibility in setting the pricing date of the Series 2014 Bonds to optimize debt service savings to the Issuer, the Council desires to grant to the Mayor or Mayor Pro Tem (collectively, the “Mayor”), the City Administrator (the “City Administrator”) or the Finance Director (the “Finance Director”) (collectively, the “Designated Officers”) of the Issuer the authority to approve the final Refunded Bonds, interest rates, principal amounts, terms, maturities, redemption features, and purchase price at which the Series 2014 Bonds shall be sold, to determine whether all or a portion of the Series 2014 Bonds should be sold pursuant to a private placement or a public offering, Underwriter/Purchaser, and any other changes with respect thereto from those terms which were before the Council at the time of adoption of this Resolution, provided such terms do not exceed the parameters set forth for such terms in this Resolution (the “Parameters”); and

WHEREAS, the Act provides for the publication of a Notice of Bonds to be Issued, and the Issuer desires to publish such a notice at this time in compliance with the Act with respect to the Series 2014 Bonds.

NOW, THEREFORE, it is hereby resolved by the Council of the Issuer, as follows:

Section 1. For the purpose of (a) refunding the Refunded Bonds, and (b) paying costs of issuance, the Issuer hereby authorizes the issuance of the Series 2014 Bonds which shall be designated “Eagle Mountain City Water and Sewer Revenue Refunding Bonds, Series 2014” (to be issued in one or more series or with such other series or title designation as may be determined by the Issuer) in the initial aggregate principal amount of not to exceed \$11,000,000. The Series 2014 Bonds shall mature in not more than nineteen (19) years from their date or dates, shall be sold at a price not less

than ninety-seven percent (97%) of the total principal amount thereof, shall bear interest at a maximum net effective rate or rates of not to exceed three and three-quarters percent (3.75%) per annum, as shall be approved by the Designated Officer, all within the Parameters set forth herein.

Section 2. The final interest rate or rates for the Series 2014 Bonds shall be set by the Designated Officer, in consultation with the Financial Advisor, at the rate or rates which, taking into account the purchase price offered by the Underwriter/Purchaser of the Series 2014 Bonds, will in the opinion of the Designated Officer and the Financial Advisor, result in the lowest cost of funding reasonably achievable given the manner of offering the Series 2014 Bonds at the time of the sale of the Series 2014 Bonds and evidenced by the execution of the Bond Purchase Agreement. The Financial Advisor shall make available to the Council the final pricing on the day of the sale of the Series 2014 Bonds.

Section 3. The Supplemental Indenture and the Bond Purchase Agreement, in substantially the forms presented to this meeting and attached hereto as Exhibits B and C respectively, are hereby authorized, approved, and confirmed. The Mayor and the City Recorder are hereby authorized to execute and deliver the Supplemental Indenture and the Bond Purchase Agreement, in substantially the forms and with substantially the content as the forms presented at this meeting for and on behalf of the Issuer, with final terms as may be established by the Designated Officer, in consultation with the Financial Advisor, within the Parameters set forth herein, and with such alterations, changes or additions as may be necessary or as may be authorized by Section 5 hereof. The Designated Officer is hereby authorized to select the Underwriter/Purchaser and to specify and agree as to the Refunded Bonds, final principal amounts, terms, discounts, maturities, interest rates, redemption features, and purchase price with respect to the Series 2014 Bonds for and on behalf of the Issuer, provided that such terms are within the Parameters set by this Resolution. The execution of the Bond Purchase Agreement by the Mayor or Mayor pro tem shall evidence the Designated Officer's approval.

Section 4. Should the Designated Officer determine to have the Series 2014 Bonds underwritten, the Issuer hereby authorizes the utilization of the Preliminary Official Statement, in the form attached hereto as Exhibit D, in the marketing of the Series 2014 Bonds and hereby approves the Official Statement in substantially the same form as the Preliminary Official Statement. The Mayor or Mayor pro tem is hereby authorized to execute the Official Statement evidencing its approval by the Issuer.

Section 5. The appropriate officials of the Issuer are authorized to make any alterations, changes or additions to the Supplemental Indenture, the Series 2014 Bonds, the Preliminary Official Statement (including, but not limited to, the addition of an official notice of bond sale), the Official Statement, the Bond Purchase Agreement or any other document herein authorized and approved which may be necessary to conform the same to the final terms of the Series 2014 Bonds (within the Parameters set by this Resolution), to conform to any applicable bond insurance or reserve instrument or to remove the same, to correct errors or omissions therein, to complete the same, to remove ambiguities therefrom, or to conform the same to other provisions of said instruments, to

the provisions of this Resolution or any resolution adopted by the Council or the provisions of the laws of the State of Utah or the United States.

Section 6. The form, terms, and provisions of the Series 2014 Bonds and the provisions for the signatures, authentication, payment, registration, transfer, exchange, redemption, and number shall be as set forth in the Indenture. The Mayor or Mayor pro tem and City Recorder are hereby authorized and directed to execute and seal the Series 2014 Bonds and to deliver said Series 2014 Bonds to the Trustee for authentication. The signatures of the Mayor or Mayor pro tem and the City Recorder may be by facsimile or manual execution.

Section 7. The appropriate officials of the Issuer are hereby authorized and directed to execute and deliver to the Trustee the written order of the Issuer for authentication and delivery of the Series 2014 Bonds in accordance with the provisions of the Indenture.

Section 8. Upon their issuance, the Series 2014 Bonds will constitute special limited obligations of the Issuer payable solely from and to the extent of the sources set forth in the Series 2014 Bonds and the Indenture. No provision of this Resolution, the Indenture, the Series 2014 Bonds, or any other instrument, shall be construed as creating a general obligation of the Issuer, or of creating a general obligation of the State of Utah or any political subdivision thereof, or as incurring or creating a charge upon the general credit of the Issuer or its taxing powers.

Section 9. The appropriate officials of the Issuer, and each of them, are hereby authorized and directed to execute and deliver for and on behalf of the Issuer any or all additional certificates, documents and other papers (including, without limitation, any reserve instrument guaranty agreements permitted by the Indenture, tax compliance procedures and an escrow deposit agreement) and to perform all other acts they may deem necessary or appropriate in order to implement and carry out the matters authorized in this Resolution and the documents authorized and approved herein.

Section 10. After the Series 2014 Bonds are delivered by the Trustee to the Underwriter/Purchaser, and upon receipt of payment therefor, this Resolution shall be and remain irrevocable until the principal of, premium, if any, and interest on the Series 2014 Bonds are deemed to have been duly discharged in accordance with the terms and provisions of the Indenture.

Section 11. In accordance with the provisions of the Act, the City Recorder will cause a "Notice of Bonds to be Issued" to be (i) published one (1) time in the Provo Daily Herald, a newspaper of general circulation in the Issuer, (ii) posted on the Utah Public Notice Website (<http://pmn.utah.gov>) and (iii) posted on the Utah Legal Notices website (www.utahlegals.com) created under Section 45-1-101, Utah Code Annotated 1953, as amended, and shall cause a copy of this Resolution and the Indenture to be kept on file in the City Recorder's office in Eagle Mountain, Utah, for public examination during the regular business hours of the Issuer until at least thirty (30) days after the date of publication thereof. The "Notice of Bonds to be Issued" shall be in substantially the following form:

NOTICE OF BONDS TO BE ISSUED

NOTICE IS HEREBY GIVEN pursuant to the provisions of the Utah Refunding Bond Act, Title 11, Chapter 27, Utah Code Annotated 1953, as amended, that on November 18, 2014, the City Council (the "Council") of Eagle Mountain, Utah (the "Issuer"), adopted a resolution (the "Resolution") in which it authorized the issuance of the Issuer's Water and Sewer Revenue Refunding Bonds, Series 2014 (to be issued in one or more series or with such other series or title designation as may be determined by the Issuer) (the "Series 2014 Bonds") in the aggregate principal amount of not more than Eleven Million Dollars (\$11,000,000), to mature in not more than nineteen (19) years from their date or dates, to be sold at a price not less than ninety-seven percent (97%) of the total principal amount thereof, and to bear interest at a maximum net effective rate or rates of not to exceed three and three-quarters percent (3.75%) per annum. No deposit is currently contemplated in connection with the sale of the Series 2014 Bonds.

The Series 2014 Bonds will be issued for the purpose of (a) refunding certain outstanding water and sewer revenue refunding bonds of the Issuer, and (b) paying costs of issuance of the Series 2014 Bonds.

The Series 2014 Bonds are to be issued and sold by the Issuer pursuant to the Resolution, including as part of said Resolution, a form of a General Indenture of Trust, and a Supplemental Indenture of Trust (collectively, the "Indenture"), which were before the Council and attached to the Resolution in substantially final form at the time of adoption of the Resolution.

The Series 2014 Bonds are special limited obligations of the Issuer payable from certain of the net revenues of the Issuer's water and sewer systems.

A copy of the Resolution and the Indenture are on file in the office of the City Recorder, 1650 East Stagecoach Run, Eagle Mountain, Utah, where they may be examined during regular business hours of the City Recorder from 7:30 a.m. to 5:30 p.m. Monday through Friday, for a period of at least thirty (30) days from and after the date of publication of this notice.

NOTICE IS FURTHER GIVEN that a period of thirty (30) days from and after the date of the publication of this notice is provided by law during which any person in interest shall have the right to contest the legality of the Resolution, the Indenture (only as it relates to the Series 2014 Bonds), or the Series 2014 Bonds, or any provision made for the security and payment of the Series 2014 Bonds, and that after such time, no one shall have any cause of action to contest the regularity, formality, or legality thereof for any cause whatsoever.

DATED this November 18, 2014

/s/ Fionnuala Kofoed
City Recorder

Section 12. All resolutions or parts thereof in conflict herewith are, to the extent of such conflict, hereby repealed and this Resolution shall be in full force and effect immediately upon its approval and adoption.

APPROVED AND ADOPTED this November 18, 2014.

(SEAL)

By: _____
Mayor

ATTEST:

By: _____
City Recorder

(Other business not pertinent to the foregoing appears in the minutes of the meeting.)

Upon the conclusion of all business on the Agenda, the meeting was adjourned.

(SEAL)

By: _____
Mayor

ATTEST:

By: _____
City Recorder

EXHIBIT A

CERTIFICATE OF COMPLIANCE WITH
OPEN MEETING LAW

I, Fionnuala Kofoed, the undersigned City Recorder of Eagle Mountain City, Utah (the "Issuer"), do hereby certify, according to the records of the Issuer in my official possession, and upon my own knowledge and belief, that in accordance with the requirements of Section 52-4-202, Utah Code Annotated, 1953, as amended, I gave not less than twenty-four (24) hours public notice of the agenda, date, time and place of the November 18, 2014, public meeting held by the City Council of the Issuer (the "Council") as follows:

(a) By causing a Notice, in the form attached hereto as Schedule 1, to be posted at the principal offices of the Issuer on November __, 2014, at least twenty-four (24) hours prior to the convening of the meeting, said Notice having continuously remained so posted and available for public inspection until the completion of the meeting;

(b) By causing a copy of such Notice, in the form attached hereto as Schedule 1, to be delivered to the Provo Daily Herald on November __, 2014, at least twenty-four (24) hours prior to the convening of the meeting; and

(c) By causing a copy of such Notice, in the form attached hereto as Schedule 1, to be posted on the Utah Public Notice Website (<http://pmn.utah.gov>) at least twenty-four (24) hours prior to the convening of the meeting.

In addition, the Notice of 2014 Annual Meeting Schedule for the Council (attached hereto as Schedule 2) was given specifying the date, time, and place of the regular meetings of the Council to be held during the year, by causing said Notice to be (a) posted on _____, at the principal office of the Council, (b) provided to at least one newspaper of general circulation within the Issuer on _____, and (c) published on the Utah Public Notice Website (<http://pmn.utah.gov>) during the current calendar year.

IN WITNESS WHEREOF, I have hereunto subscribed my official signature this November 18, 2014.

(SEAL)

By: _____
City Recorder

SCHEDULE 1

NOTICE OF MEETING

SCHEDULE 2
ANNUAL MEETING SCHEDULE

(attach Proof of Publication of
Notice of Bonds to be Issued)

EXHIBIT B

GENERAL INDENTURE AND SUPPLEMENTAL INDENTURE

(See Transcript Document Nos. __ and __)

EXHIBIT C

FORM OF BOND PURCHASE AGREEMENT

(See Transcript Document No. __)

EXHIBIT D

FORM OF PRELIMINARY OFFICIAL STATEMENT

(See Transcript Document No. ____)